

**NOTICE OF PREPARATION OF A
DRAFT RECIRCULATED ENVIRONMENTAL IMPACT REPORT (E.I.R.)
FOR THE LOWE'S HOME IMPROVEMENT WAREHOUSE
PLANNED DEVELOPMENT REZONING**

FILE NO: PDC06-003

PROJECT APPLICANT: Lowe's Home Improvement Warehouse, Inc.

COUNTY TAX ASSESSOR'S PARCEL NUMBER (A.P.N.): 706-06-017

As the Lead Agency, the City of San Jose will prepare an Environmental Impact Report (EIR) for the project referenced above. The City welcomes your input regarding the scope and content of the environmental information that is relevant to your area of interest, or to your agency's statutory responsibilities in connection with the proposed project. If you are affiliated with a public agency, this EIR may be used by your agency when considering subsequent approvals related to the project.

The project description, location, and probable environmental effects that will be analyzed in the EIR for the project are attached. According to State law, the deadline for your response is 30 days after receipt of this notice. However, we would appreciate an earlier response, if possible.

If you have any comments on this Notice of Preparation, please identify a contact person and send your correspondence to:

City of San Jose Planning Division, Attn: Darren McBain
City Hall, 200 East Santa Clara Street, 3rd Floor, San Jose CA 95113-1905
Phone: (408) 535-7822, e-mail: darren.mcbain@sanjoseca.gov

If you have general non-E.I.R. related questions or comments about the Lowe's project (such as project design or anticipated scheduling of next steps in the review process), please contact the Planning Division's project manager Jeff Roche at 535-7829 or e-mail jeff.roche@sanjoseca.gov

The Draft Recirculated E.I.R. for the Lowe's project is currently in the process of being prepared. A separate E.I.R. Notice of Availability will be circulated when the Draft EIR becomes available for public review and comments (currently anticipated to begin in May 2006).

Joseph Horwedel, Acting Director
Planning, Building and Code Enforcement

Deputy

Date: ____1/24/06____

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January 2006

Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of a proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment; to examine methods of reducing adverse impacts; and to consider alternatives to the project.

The EIR for the proposed project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, potential environmental impacts, and mitigation measures;
- Alternatives to the project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth inducing impacts of the proposed project; (d) effects found not to be significant; and (e) cumulative impacts.

Reason for New E.I.R. for the Lowe's Project

In 2003, the City Council of the City of San Jose certified an E.I.R. (SCH# No. 2002122091) and approved Planned Development Rezoning File PDC02-086 on the subject site for an earlier Lowe's proposal similar in size and basic character to the currently proposed project. The City Council's decision to approve the project, and the adequacy of the previous E.I.R. on which it was based, were litigated and found by a court to be inadequate in several respects, including the EIR's analysis of site-design alternatives that could potentially avoid the proposal's impacts on the existing historic IBM Building #25 on the site. Lowe's has filed a new Planned Development Rezoning (File PDC06-003), for which the City of San Jose will be preparing a revised, recirculated E.I.R. The E.I.R. for the new Lowe's project will address those items found inadequate in the court judgment, and take into account the changed circumstances in the vicinity of the site since the 2003 Council project approval, including the approved and pending projects on the nearby Hitachi and iStar Financial Group properties, respectively.

Project Location

The proposed project site is located on the northeast corner of Poughkeepsie Road and Cottle Road, at the northerly end of Cottle Road near Monterey Road, in the southern part of San Jose, Santa Clara County (see attached Figure 1).

Project Description

The proposed project would rezone an 18.75-acre parcel to a Planned Development (PD) Zoning District to allow the development of up to approximately 204,600 square feet of commercial uses that would be located in the northern portion of IBM's existing Cottle Road facility. The site is currently occupied by a vacant research building (IBM Building #25) that is eligible for the California Register of Historic Resources.

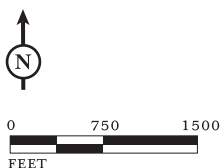
The project includes an approximately 140,000-square-foot Lowe's Home Improvement Warehouse and a 40,000-square-foot garden center located on the northern portion of the project site. Two buildings totaling approximately 11,850 square feet of other retail uses (see Figure 2) are proposed on the southern portion of the site separated by the parking area. An additional 12,750 square feet for retail shops are proposed on the western edge of the project site. The project would be developed in two phases, with the Lowe's center constructed in the first phase and the remaining retail to be developed in a later second phase.

The project will involve the demolition of the vacant research IBM Building #25, as well as the removal of many trees from the site. Access to the project site would be provided from Cottle Road, Boulder Boulevard, and Poughkeepsie Road. The proposed project would include 820 parking spaces and a loading zone.



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FIGURE III-1



LEGEND
 PROJECT AREA

San Jose Lowe's EIR
 Project Vicinity Map
 and Regional Map

SOURCE: GOOGLE MAPS, 2005.

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Potential Environmental Impacts of the Project

The EIR will describe the existing environmental conditions on the project site and will identify the significant environmental impacts anticipated to result from development of the project as proposed. Where potentially significant environmental impacts are identified, the EIR will also discuss mitigation measures that may make it possible to avoid or reduce significant land use impacts, as appropriate.

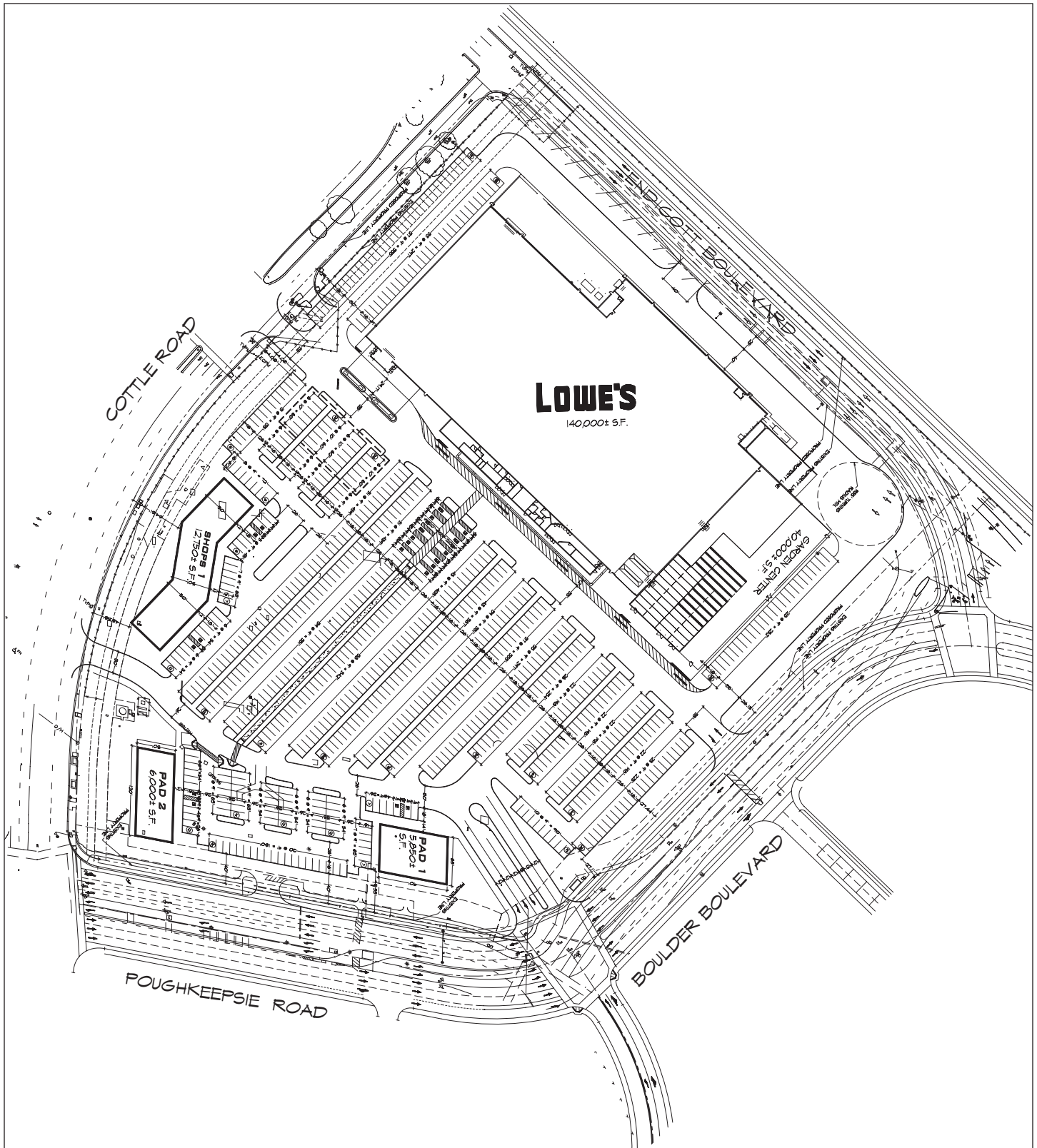
The analysis in the EIR will include the following specific categories of environmental impacts and concerns related to the proposed project. Additional subjects may be added at a later date, as new information comes to light.

1. Land Use: The project site was previously used for industrial purposes and was part of the IBM properties. The proposed project includes the development of new commercial uses in what is historically an industrial area. The EIR will identify the land uses on and around the project site and evaluate potential land use constraints created by existing conditions in the project area, including the project's compatibility with existing and proposed land uses in the project area. This section will also discuss the visual and aesthetic resources of the site and any impacts that would potentially occur as a result of the project.
2. Transportation: The proposed development will affect the traffic circulation and parking patterns in the project vicinity. The EIR will identify existing roadway conditions and other transportation elements (i.e., light rail, bus routes, bike routes, etc.) within and near the project site, including local streets and intersections, regional facilities (such as expressways), and freeways. The analysis will evaluate baseline (existing and approved) conditions against project generated traffic and the transportation improvements under the proposed project. The EIR will also evaluate the internal site operational aspects such as project access, internal vehicular circulation, parking, and truck loading and circulation.
3. Air Quality: Redevelopment of the project site, during construction and operational periods, would increase air pollution emissions in the area. The EIR will address regional air quality conditions in the San Francisco Bay Area and the air quality impacts resulting from the proposed project. The EIR will also discuss compatibility with regional air quality plans and construction-related impacts, such as vehicle exhaust and fugitive dust.
4. Noise and Vibration: The development of commercial uses, during both the construction and operational periods, will increase noise levels in the project area. The EIR will assess potential noise impacts associated with the proposed project, including impacts to existing and future development. Noise levels will be evaluated for consistency with City of San Jose standards and guidelines.
5. Biological Resources: The EIR will describe the existing biological conditions within the project area, and potential impacts of the proposed project on vegetation and wildlife. The EIR will evaluate the likelihood of any significant impacts, including the loss of mature trees, and the project's potential effects on any special-status species that may be present on the site.
6. Geology, Soils, and Seismicity: The EIR will identify general soil and geotechnical conditions in the project area. The impact analysis will address seismic hazards in the project area, as well as the potential for liquefaction, ground-shaking, and subsidence.
7. Hydrology and Water Quality: The EIR will address any hydrology, drainage and flooding impacts that may occur as a result of the implementation of the proposed project. Potential water quality impacts and conformance with the Santa Clara Valley Urban Runoff Pollution Prevention Program and the City of San Jose's Post Construction Urban Runoff Management Policy will be addressed.
8. Hazardous Materials: The EIR will address hazardous materials on the site, and will describe the existing groundwater contamination beneath the site. The status of ongoing remediation efforts will be discussed. The potential for other sources of hazardous materials to be present on the project site will be evaluated.
9. Cultural and Paleontological Resources: The EIR will include a discussion of cultural resources, including a Historic Architecture Evaluation Report, to identify impacts to historic resources. The IBM research Building #25 located on the site is considered to be historically and architecturally significant. The EIR will evaluate the impacts associated with the proposed removal of this building and will identify mitigation measures that would minimize or reduce impacts. In addition, the Alternatives section of the EIR will evaluate alternatives for

preserving and reusing the former research building as part of the project. The EIR will also address the potential for archaeological resources to be present on the site.

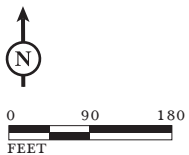
10. Visual Resources: The commercial structures may result in impacts to the existing visual character of the area. The EIR will describe the existing visual conditions of the project area and address the potential effects on scenic vistas, scenic resources, or any degradation to the existing visual character.
11. Utilities: The EIR will examine the impacts of the proposed project on utilities and public services. The EIR will describe the project requirements for utilities and public services, including utilities such as: water supply, sanitary and storm sewers, wastewater treatment, solid waste management, electric power, natural gas, and communications. The EIR will evaluate the capacity of existing and planned systems to accommodate the project.
12. Public Services and Facilities: The proposed project is a commercial project and it is assumed there will be no impacts to schools, parks, or libraries. The EIR will identify existing police and fire services serving the project area, based upon information available from the City of San Jose and other local agencies or service providers. Where sufficient data are available, the EIR will quantify the increase in service demands resulting from the proposed project. The availability and adequacy of existing services will be analyzed including the availability of solid waste collection and disposal services.
13. Energy and Mineral Resources: The EIR will describe current energy demand from uses on the site and will summarize any mineral resource on the project site or in the project vicinity. The EIR will describe potential impacts associated with energy and mineral resources.
14. Consistency with Plans and Policies: Numerous plan and policy documents are relevant to the proposed project. This section of the EIR will summarize the plans and policies as they relate to the proposed project. The project will then be evaluated for the consistency with these plans and policies, and policy inconsistencies and potential conflicts will be identified. Recommendations to eliminate potential inconsistencies will be provided as appropriate. Policy conflicts are not considered to have a significant effect on the environment, and would therefore be differentiated from impacts described in the other sections. The physical impacts associated with such policy conflicts would be addressed in the appropriate technical sections of this chapter (e.g., Air Quality, Noise). Likewise, conflicts relating to federal, State, and regional policies would be addressed in the appropriate topical sections of the EIR.
15. Urban Decay: The EIR will address potential significant impacts related to urban decay that may occur in other portions of the City as a result of the construction of the proposed project. The analysis will summarize the setting for similar retail uses and the overall market for home improvement stores. The project's potential for urban decay effects will be evaluated based on a review of a separate economics study prepared for the City and existing conditions in the surrounding area.
16. Cumulative Impacts: The EIR will address the potentially significant cumulative impacts of the project when considered with other planned development. This analysis will cover all environmental topics discussed in the EIR (e.g., traffic, air quality, etc.) and will specify which areas are anticipated to result in significant cumulative impacts. Cumulative impacts will be discussed qualitatively, except where quantitative data on other planned developments are available prior to publication of the Draft EIR.
17. Alternatives to the Project: The EIR will examine alternatives to the proposed project including a "No Project" alternative. The alternatives considered will also include alternative land use(s) for the project site, alternative project location(s), and alternative project configuration(s) which could accommodate the former IBM research Building #25.
18. Other Required Sections: The EIR will also include other information typically required for an EIR. These other sections include the following: 1) Growth Inducing Impacts; 2) Significant, Unavoidable Impacts; 3) Significant Irreversible Environmental Changes; 4) References; and 5) EIR Authors. Relevant technical reports will be provided in a technical appendix.

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FIGURE 2



San Jose Lowe's EIR
Site Plan

SOURCE: AMS ASSOCIATES, INC., 2005.

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FIGURE 3



PROJECT SITE

0 90 180
FEET

SOURCE: GLOBEXPLORER, 2005.

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San Jose Lowe's EIR
Aerial Photograph